

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

In the Matter of the)	
)	
PUBLIC UTILITIES COMMISSION)	DOCKET NO. 03-0371
)	
Instituting a Proceeding to)	
Investigate Distributed Generation)	
in Hawaii)	
_____)	

HESS MICROGEN, LLC'S

INFORMATION REQUESTS TO THE DIRECT TESTIMONIES AND EXHIBITS OF
THE DIVISION OF CONSUMER ADVOCACY;
HAWAII ELECTRIC COMPANY, INC., HAWAII ELECTRIC LIGHT COMPANY,
INC., AND MAUI ELECTRIC COMPANY;
HAWAII RENEWABLE ENERGY ALLIANCE;
KAUAI ISLAND UTILITY COOPERATIVE; AND
COUNTY OF MAUI

and

CERTIFICATE OF SERVICE

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Attorney for
Hess Microgen, LLC

In the Matter of the)	
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PUBLIC UTILITIES COMMISSION)	DOCKET NO. 03-0371
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HESS MICROGEN, LLC'S
Information Requests to Direct Testimonies and Exhibits

Pursuant to the agreed upon schedule of proceedings set forth in Prehearing Order No. 20922, Hess Microgen, LLC hereby submits its Information Requests to Direct Testimonies and Exhibits in the above-referenced docket.

Respectfully submitted.

DATED: Honolulu, Hawaii, July 28, 2004

SANDRA-ANN Y.H. WONG

Attorney for Intervenor
Hess Microgen, LLC

CERTIFICATE OF SERVICE

I hereby certify that I have this date served copies of Hess Microgen, LLC Information Requests to the Direct Testimonies and Exhibits of the Division of Consumer Advocacy; Hawaiian Electric Company, Inc., Hawaii Electric Light Company, Inc. and Maui Electric Company, Limited; Hawaii Renewable Energy Alliance; Kauai Island Utility Cooperative; County of Maui on the following parties, by causing copies hereof to be mailed, postage prepaid, and properly addressed to each such party as follows:

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Energy Analyst
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DATED: Honolulu, Hawaii, July 28, 2004

SANDRA-ANN Y.H. WONG

Attorney for Intervenor
Hess Microgen, LLC

**Hess Microgen (“Hess”) Information Request to
the Division of Consumer Advocacy (“CA”) on its Direct Testimony and Exhibits**

- HESS-DT-IR-1 to CA Ref.:CA-T-1, p.23, lines 1-3, “Customers electing to install on-site generation may leave the utility with stranded costs that may be paid for by the remaining customer base, ultimately resulting in higher electric rates.”
- Please provide the basis for this statement?
- HESS-DT-IR-2 to CA Ref.: CA-T-1, p. 62, lines 9-15
- A. Please describe in detail how the CA’s proposed monthly transmission, distribution, and ancillary service charge to the utility for the amount of capacity “reserved” on the utility’s system to backup the DG generator differs from HELCO’s current standby charge.
- B. Will the CA’s proposed monthly transmission, distribution, and ancillary service charge create a barrier to the deployment of DG? If no, please explain in detail why not.
- HESS-DT-IR-3 to CA Ref.: CA-T-1, p. 62, lines 9-20
- Is the CA proposing a monthly transmission, distribution, and ancillary service charge to the utility for the amount of capacity “reserved” on the utility’s system to backup the DG generator or to the customer’s total load? Please explain in detail the distinction between the two and why the CA prefers one method over the other?
- HESS-DT-IR-4 to CA Ref.: CA-T-1, p. 65, lines 6-8.
- Would the Consumer Advocate agree that the HEI Companies standardized physical interconnection requirements and standardized interconnection agreement for DG, although good starting points, need to be amended to conform to the National Interconnection Standards by the Institute of Electrical and Electronics Engineers (“IEEE”)? If no, please explain in detail why not.
- HESS-DT-IR-5 to CA Ref.: CA-T-1, p.65, line 11.
- How would the Consumer Advocate define “streamlined”? Would the Consumer Advocate define it as between 30 and 60 days?

**Hess Microgen (“Hess”) Information Request to
Hawaiian Electric Company, Inc., Hawaii Electric Light Company, Inc. and Maui Electric Company,
Limited (“HECO”) on its Direct Testimonies and Exhibits**

HESS-DT-IR-1 to HECO Ref.: HECO T-1, p. 29, lines 13-15, “If DG/CHP customers install the DG/CHP meter required by the rider and take advantage of the options offered by the rider, they may well be able to obtain backup service at lower cost than under HELCO’s regular rate schedules.”

Please explain in detail how DG/CHP customers could obtain backup service at a lower cost than under HELCO’s regular rate schedules.

HESS-DT-IR-2 to HECO Ref.: HECO T-5 p.18, lines 22-25, p.19, line 1, “If Rider A is modified to make it voluntary, current Rider A customers (as well as customers that have DG/CHP systems installed in the future) will have the opportunity to sign up for the Rider A option. If they do not elect to sign up for the Rider A option, they will not be subject to any Rider A charges, and will receive all service under the appropriate regular rate schedule.”

- A. Please explain in detail the distinctions between the Rider A charges and the regular rate schedule for a DG/CHP customer?
- B. Please explain in detail the incentives, if any, for a DG/CHP customer to voluntarily sign up for Rider A.
- C. If HELCO is permitted to enter in the CHP business, will its customers be presented with the exact same options as customers of third-party CHP vendors? If no, please explain in detail why not. Also, please explain in detail the differences.

**Hess Microgen (“Hess”) Information Request to
Hawaii Renewable Energy Alliance (“HREA”) on its Direct Testimony and Exhibits**

HESS-DT-1 to HREA Ref.:HREA’s DT p.15, lines 18-19

Please explain in detail how HREA believes the utility rate structure must be redesigned to encourage DG.

**Hess Microgen (“Hess”) Information Request to
Kauai Island Utility Cooperative (“KIUC”) on its Direct Testimonies and Exhibits**

HESS-DT-IR-1 to KIUC Ref.:KIUC T-2, p.4, lines 2-10

- A. Please describe in detail how “Rider S” and/or a proposed standby tariff would work.
- B. Please describe in detail why “Rider S” is outdated and how KIUC proposes to amend it to make it current.
- C. Does KIUC plan to file an application in the near future to amend “Rider S”? If yes, when does it plan to file such an application?
- D. Will KIUC’s “Rider S” and/or a proposed standby tariff create a barrier to the deployment of DG? If no, please explain in detail why not.

**Hess Microgen (“Hess”) Information Request to
County Of Maui (“COM”) on its Direct Testimonies and Exhibits**

HESS-DT-IR-1 to COM

Will COM’s proposed firm and “best efforts” standby rates create a barrier to the deployment of DG? If no, please explain in detail why not.

HESS-DT-IR-2 to COM Ref.: COM-T-1, p. 15, lines 10-11.

- A. Please explain in more detail what COM means by “reasonable interconnection standards and procedures of DG systems”.
- B. Please explain in detail how COM’s recommended “reasonable interconnection standards and procedures of DG systems” would differ from the HEI Companies standardized physical interconnection requirements and standardized interconnection agreement for DG.

HESS-DT-IR-3 to COM Ref.: COM-T-1, p.21, lines 20-21, “The Commission should consider performance-based ratemaking options to remove the ‘throughput incentive’ that current regulatory principles provide.”

Please explain in detail what COM means by “throughput incentive”.